

**From:** [R6HarveyPIO](#)  
**To:** [R6HarveyInfo](#)  
**Subject:** FW: Pasadena/Houston Bulk Terminals Post Hurricane Harvey  
**Date:** Monday, September 11, 2017 9:42:44 AM

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**From:** Smith, Cliff B.  
**Sent:** Monday, September 11, 2017 9:41:09 AM (UTC-06:00) Central Time (US & Canada)  
**To:** R6HarveyPIO  
**Subject:** Pasadena/Houston Bulk Terminals Post Hurricane Harvey

11 September 2017

SHUMAN are local, Houston-based P&I Correspondents for a number of UK Underwriters which insure foreign merchant cargo ships. We have been receiving queries from Underwriters concerning the status of various terminals and bulk facilities located on both sides of the Houston Ship Channel. We have seen numerous public statements/articles confirming a number of high profile Petrochemical Companies which have issued Force Majeure declarations due to the effects/damages caused by Hurricane Harvey. For clarification, Force Majeure can be defined as follows:

***A standard clause in most commercial contracts and agreements which exempts the contracting parties from fulfilling their contractual obligations for causes that could not be anticipated and/or are beyond their control.***

***These causes usually include act of God, act of man, act of parliament, and other impersonal events or occurrences.*** We have seen no public statements or articles directly concerning bulk terminals which provide, for example, aluminum sulphate (fertilizer grade) products along the Houston Ship Channel.

We are being asked questions like those below:

1. Whether cargos of ammonium sulphate have been damaged by the hurricane and/or are available for loading at Pasadena;
2. When a cargo of ammonium sulphate (Fertilizer grade only) is likely to be available for loading at Pasadena;
3. The damage caused to the terminal facility at Pasadena;
4. The date the Pasadena terminal was closed; and
5. when it is likely that the terminal at Pasadena will be open again for

cargo operations.

We have spoken with one Pasadena Terminal. The representative with whom we spoke confirmed the terminal has not reopened. He stated at the present time they continue to assess damages, and have no projected date by which terminal operations will resume. Some bulk products are kept in the open, like petcoke and are susceptible to wind and water. Other bulk products are kept in silos, like wheat and rice. Concerning aluminum sulphate, we are uncertain how the bulk product is stored. With the excessive rainfall and flooding which occurred during Hurricane Harvey, we must try to determine whether bulk products on hand were damaged by rain and/or floodwaters.

Has the USCG assessed each terminal located on the Ship Channel for:

1. Operational Status
2. Damage to bulk products
3. Damage to loading / discharge equipment.
4. Pollution hazards to the Ship Channel

If possible, we would like a list of facilities and terminals which remain non-operational at this time. (all locations – Houston, Pasadena, Deer Park, La Porte, Texas City, Galveston)

With kindest regards,

Cliff B. Smith

Executive Vice President

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